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FM AMEMBASSY JAKARTA

TO RUEHC/SECSTATE WASHDC IMMEDIATE 4332
INFO RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS IMMEDIATE
RUEHUJA/AMEMBASSY ABUJA IMMEDIATE 0036
RUEHAK/AMEMBASSY ANKARA IMMEDIATE 0097
RUEHEG/AMEMBASSY CAIRO IMMEDIATE 0048
RUEHBY/AMEMBASSY CANBERRA IMMEDIATE 9470
RUEHKA/AMEMBASSY DHAKA IMMEDIATE 0839
RUEHIL/AMEMBASSY ISLAMABAD IMMEDIATE 0414
RUEHKO/AMEMBASSY TOKYO IMMEDIATE 9798
RUEHWL/AMEMBASSY WELLINGTON IMMEDIATE 0822
RUEHOS/AMCONSUL LAGOS IMMEDIATE 0079
RHHMUNA/CDR USPACOM HONOLULU HI IMMEDIATE
RHHMUNA/USCINCPAC HONOLULU HI IMMEDIATE
RUEHUNV/USMISSION UNVIE VIENNA IMMEDIATE 0082
RUCNDT/USMISSION USUN NEW YORK IMMEDIATE 0446
RHMFISS/DEPT OF ENERGY WASHINGTON DC IMMEDIATE
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C O N F I D E N T I A L SECTION 01 OF 02 JAKARTA 006201

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TAGS: AORC KISL KNNP PREL TU IR ID

SUBJECT: D-8 SUMMIT KEEPS FOCUS ON DEVELOPMENT ISSUES

REF: JAKARTA 6026 (AHMADI-NEJAD A DIFFICULT GUEST)

Classified By: B. Lynn Pascoe, Ambassador. Reason: 1.4 (b, d)

¶1. (C) Summary: Indonesian hosts and other participants at the D-8 Summit in Bali succeeded in preventing Iranian President Ahmadi-Nejad from using the event as a platform to drum up support for his country's nuclear program. The D-8 (which also includes Turkey, Nigeria, Pakistan, Bangladesh, Malaysia, and Egypt) issued a declaration on economic and development issues and signed two agreements on trade and customs cooperation. The D-8 also set up a permanent Secretariat, and kept the new Secretary-General position out

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of Iran's hands. Politically, the conference gravitated into two groups: Iran and the other seven. End summary.

Iranian Nuclear Issue Left On Sidelines

¶2. (SBU) Following Iranian President Ahmadi-Nejad's May 10-12 State visit to Jakarta, the Indonesian hosts of the D-8 summit in Bali managed to keep the contentious nuclear issue off the table. On the first day of the summit, a senior Indonesian Department of Foreign Affairs official stressed that while the D-8 would discuss cooperation in developing sources of alternative energy, this had nothing to do with nuclear weapons issues. Another senior DFA official laid down a marker that Iran should confine its bid for support on the nuclear issue to bilateral meetings rather than press to include it as a summit agenda item.

Sticking To Development, Economic Cooperation

¶3. (C) Indonesian President Yudhoyono made similar points at a May 13 press conference, "This summit meeting is not taking place in the shadow of the Iranian nuclear issue. This meeting is planned for every two years. In 2006 it is Indonesia's turn (to host), and in 2008 it will be Malaysia's turn. Whatever happens in 2008, all matters connected with this summit will still be implemented. Therefore our agenda will stick to the spirit and goals of economic and

development cooperation." Yudhoyono's foreign affairs adviser Dino Patti Djalal confirmed to the Ambassador that the Iranians had pushed hard to include language supporting their nuclear program in the final statement, but the other delegations successfully resisted.

¶4. (SBU) Yudhoyono stressed that the D-8 would discuss the possibility of boosting oil production in order to lower high oil prices. Bilateral meetings between Indonesia and Nigeria reportedly focused on increasing oil production and possible Indonesian importation of Nigerian crude oil.

¶5. (SBU) The D-8 leaders signed a Preferential Trade Agreement and a Multilateral Agreement On Mutual Administrative Assistance In Customs Matters. They also issued a 36-point declaration focused almost entirely on development and economic matters. They subsumed the nuclear question into a point on D-8 commitment to develop alternatives to fossil fuel. They also expressed concern over the crisis following the "publication of insulting caricatures of the Prophet Mohammad . . . which has deeply offended Muslim populations worldwide. We underline that the right to freedom of expression must be exercised responsibly and not be used as a pretext for incitement to hatred or insult towards any belief or religion." The D-8 leaders expressed support for the UN Secretary General's "Alliance of Civilizations" initiative.

¶6. (C) Djalal noted that apart from Ahmadinejad's statements, no other delegation engaged in anti-Western statements. Ahmadinejad attacked the West and "liberalism" during his opening press conference and made similar statements during the summit itself, the other delegations responded with statements emphasizing moderate Islam and ties

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to the West.

Indonesia Assumes SecGen Job

¶7. (C) Iran handed the chairmanship to Indonesia, but pressed hard to get the Secretary Generalship for the next two years.

According to Turkish Ambassador Aydin Evirgen, the Indonesians, Malaysians, and Turks mounted a successful last-minute push to keep the new D-8 Secretary-General job from going to an Iranian. An Indonesian will take the job after the Turks declined to do so; two subordinate positions on the new Secretariat will go to an Iranian and a Turk. Evirgen also said that the Indonesians, annoyed by Ahmadinejad's behavior during his appearances in Jakarta (reftel), changed plans for the Summit's closing press conference, which originally envisioned a joint event between Ahmadinejad and Yudhoyono as outgoing and incoming D-8 leaders. Instead, the closing press conference only included President Yudhoyono, as host.

¶8. (C) Evirgen said that although Ahmadinejad had irritated everyone with his strident rhetoric, the D-8 succeeded in preventing the Iranians from digressing from an agenda of development and economic issues. Djalal noted that the session had gravitated to two groups: Iran and the other seven.

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